
MINUTES OF THE PROCEEDINGS
REGULAR MEETING
OF THE
RETIREMENT BOARD OF THE POLICEMEN'S
ANNUITY & BENEFIT FUND
HELD
THURSDAY – SEPTEMBER 24, 2015

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund was held September 24, 2015, at 9:00 A.M. at the office of the Fund, 221 N. LaSalle Street, Room 1626, Chicago, Illinois for the consideration of applications and bills, and for other such matters that came before the Board. The contents of this meeting were transcribed by Esquire Communications, Ltd. Court Reporters and are made a part of the record.

PRESSENT: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

ABSENT: Maloney, Summers 2.

PRESIDING: President and Trustee Kenneth Hauser.

President Hauser called the meeting to order.

Discussion was held concerning the lack of a quorum. Due to the expectant arrival of Trustees, the Board deferred on the Agenda and heard a presentation concerning the Fund's possible office space relocation or lease renewal.

David Burkards, Andy Davidson and Christine Torres from MB Real Estate appeared before the Board. Their presentation, based on the Board's requirements, was an overview and comparison of various properties, which were researched and discussed.

(WHEREUPON, Trustee Brown entered the proceedings)

At the completion of the presentation *it was moved by Trustee Avila, seconded by Trustee Lappe, that the Board go into executive session per 2 (c) (11).*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, 5.

Absent: Maloney, Summers, Wright 3.

Against: 0.

(WHEREUPON, Trustee Wright entered the proceedings)

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board exit the executive session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

The Board then reviewed of the minutes of the Investment Committee meeting held September 21, 2015. It was noted by Ms. Tuczak that the Investment Committee meeting minutes reflect a motion that provides for liquidation of the hedge funds of Aetos and K-2 be utilized for September and October disbursements. However, based upon recent communication with these two investment managers, the redemption proceeds will not be available until late October. Ms. Tuczak proposed that the motion from the July Investment Committee allowing redemption of up-to \$40 million from the NTGI Russell 1000 Fund be reinstated and utilized for September benefit payments, as such redemption was not previously utilized. The hedge fund proceeds can then be used for October and November benefit payments, as necessary. Ms. Tuczak indicated that Kevin Leonard of NEPC, LLC agrees with such recommendation.

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It was moved by Trustee Avila, seconded by Trustee Hamburger that the Board approve the recommended amendment in the minutes of the Investment Committee Meeting held September 21, 2015.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, 5.

Absent: Maloney, Summers 2.

Against: 0.

Abstain: Trustee Wright 1.

It was moved by Trustee Avila, seconded by Trustee Hamburger that the Board approve the minutes of the Investment Committee Meeting held September 21, 2015, as amended.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, 5.

Absent: Maloney, Summers 2.

Against: 0.

Abstain: Wright 1.

The next order of business was review of the minutes of the Regular Meeting held August 27, 2015.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve the minutes of the Board Meeting held August 27, 2015.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, 5.

Absent: Maloney, Summers 2.

Against: 0.

Abstain: Wright 1.

In the absence of the Recording Secretary, President Hauser conducted the general agenda as follows:

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1 - 5 Incurred Expenses for the Month of September 2015.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Obligations as detailed on pages 1 through 5.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

6 - 12 Refunds of Contributions; Withdrawal of Service, Widow's Annuity Accumulations, Widow's Annuity Accumulations-Revised and Exempt Rank.

It was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the Refunds as detailed on pages 6 through 12.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

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13 - 14 Payment to Heirs of Deceased Annuitants

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve the Payments to Heirs of Deceased Annuitants as detailed on pages 13 and 14.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

15 Refund of Annual Increase Contributions

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve the Refund of Annual Increase Contributions as detailed on page 15.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

16 - 18 Annuities [Summary pg. 19]

It was moved by Trustee Avila, seconded by Trustee Hamburger that the Board approve the Annuities as detailed on pages 16 through 18.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

20 - 25 Annuities – Revised

It was moved by Trustee Wrights, seconded by Trustee Brown that the Board approve the Revised Annuities as detailed on pages 20 though 25.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

26 Annuities to Widows [Summary pg. 27]

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board approve the Annuities to Widows as detailed on page 26.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

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- 28 Ordinary Disability Benefits
 a) **Baker, Tammy L.**

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board defer all benefits pending a full hearing.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

- b) **Murphy, Velva J.**

It was moved by Trustee Wright, seconded by Trustee Lappe that the Board, based on the medical reports, award an Ordinary Disability benefit to Officer Murphy.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

- 29 - 30 Duty / Occupational Disease Disability Benefits
 c) **Brownley, Scott M.**

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board defer all benefits pending a full hearing.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

- 29 - 30 Duty / Occupational Disease Disability Benefits, continued
 d) **Mendoza, Manuel A.**

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board defer all benefits pending a full hearing.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

- e) **Nasadowski, Adam J.**

It was moved by Trustee Lappe, seconded by Trustee Brown that the Board, that the Board move to grant the officer, subject to a full evidentiary hearing, ordinary disability benefits without prejudice with the understanding that the Board reserves the right prior to such hearing to revisit and terminate that benefit if deemed warranted.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

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f) **Pet, Robert A.**

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board that the Board move to grant the officer, subject to a full evidentiary hearing, ordinary disability benefits without prejudice with the understanding that the Board reserves the right prior to such hearing to revisit and terminate that benefit if deemed warranted.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

29 - 30 g) **Rodriguez, Jr., Francisco**

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board defer all benefits pending a full hearing.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe 5.
Absent: Maloney, Summers 2.
Against: Wright 1.

31 - 33 Payments of Death Benefits [Summary pg. 34]

It was moved by Trustee Hamburger, seconded by Trustee Avila that the Board approve the Death Benefits as detailed on pages 31 through 33.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

35 PETITION FOR PENSION CREDIT FOR PRIOR SERVICE UNDER 5-214 (c)

It was moved by Trustee Wright, seconded by Trustee Avila that the Board approve the petitions to purchase pension credit for prior Cook County service detailed on page 35.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

36 PETITION FOR PENSION CREDIT FOR PRIOR MILITARY SERVICE UNDER 5-214.3

It was moved by Trustee Wright, seconded by Trustee Brown that the Board approve the petitions to purchase pension credit for prior military service detailed on page 36.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

General Agenda Completed.

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It was moved by Trustee Avila, seconded by Trustee Hamburger that the Board enter into Executive Session per 2 (c)(11).

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board exit the Executive Session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

The Board's President called for the hearings on the scheduled cases.

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HEARINGS

37 APPLICATION FOR A CHILD'S ANNUITY
 Willett, Alexis (Michael Pease)

Attorney Dave Weisman, representing Alexis Willett, appeared before the Board on the claim for a child's annuity. After reviewing the documents presented and brief presentation, *it was moved by Trustee Brown, seconded by Trustee Avila that the Board grant the child's annuity as detailed on page 37.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.
Absent: Maloney, Summers 2.
Against: 0.

38 ANNUITY/FELONY CONVICTION
 Hall, Allen

Allen Hall appeared before the Board, with counsel, on his application for an annuity. After reviewing the documents submitted, there was uncertainty concerning some documentation and the number of criminal charges, therefore, attorney for claimant respectfully requested a continuance to obtain further clarification.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve a continuance of this claim.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.
Absent: Brown, Maloney, Summers 3.
Against: 0.

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DISABILITY HEARINGS

DISABILITY STATUS REVIEWS

39 **Mack, Richard**

Richard Mack appeared on his disability status review. After discussion with Mr. Mack, *it was moved by Trustee Wright to continue this matter to November.*

NO SECOND; MOTION FAILS

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board go into executive session per 2 (c)(11).

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board exit the executive session.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board suspend Mr. Mack's disability benefits until the November 24, 2015, Board meeting.

ROLL CALL

For: Avila, Hamburger, Lappe 3.

Absent: Brown, Maloney, Summers 3.

Against: Hauser, Wright 2.

It was moved by Trustee Wright, seconded by Trustee Hamburger that this matter be continued to the November 24, 2015, Board meeting in order for Mr. Mack to obtain legal counsel.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

40 **Rios, Miguel**

Miguel Rios appeared, without counsel, before the Board on his disability status review. After advising Mr. Rios of his right to counsel, he chose to proceed without legal representation. After review of the documents submitted, hearing testimony from Mr. Rios, the Board's consulting physician, and Sgt. Kemper of the CPD Medical Section, *it was moved by Trustee Lappe, seconded by Trustee Hamburger that, based on Mr. Rios' testimony, the Board terminate disability benefits October 31, 2015.*

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

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DISABILITY STATUS REVIEWS, Continued

41 **Terrano, Michael**

Michael Terrano appeared, with counsel, before the Board on his duty disability status review. Mr. Terrano's attorney requested a continuance in light of surgery scheduled for Mr. Terrano September 29, 2015. After brief testimony from Mr. Terrano, *it was moved by Trustee Hamburger, seconded by Trustee Avila that the Board go into executive session per 2 (c)(11).*

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

It was moved by Trustee Lappe, seconded by Trustee Avila that the Board exit the executive session.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

The new medical reports and documents on the status review of Michael Terrano were made a part of the record.

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board terminate disability benefits pursuant to the records and the findings therein.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

President Hauser indicated that the Board reviewed the file and is denying a continuance, and, therefore, based on the medical reports, the Board feels Michael Terrano is no longer disabled.

It was moved again by Trustee Wright, seconded by Trustee Hamburger that the Board terminate disability benefits based on the medical records, effective September 30, 2015.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

42 DUTY DISABILITY CLAIMS

Alesia, Michael

Attorney representing Michael Alesia appeared before the Board on this application for duty disability benefits and requested a continuance.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board grant the requested continuance to the November 24, 2015, Board meeting.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

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42 DUTY DISABILITY CLAIMS, Continued

Keenan, David

David Keenan appeared before the Board, with counsel, on his application for a duty disability benefit. After reviewing the documents and records submitted and hearing testimony from the claimant and the Board's consulting physician, *it was moved by Trustee Wright, seconded by Trustee Avila that the Board enter into executive session per 2 (c)(11).*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

It was moved by Trustee Wright, seconded by Trustee Brown that the Board exit the executive session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

It was moved by Trustee Wright, seconded by Trustee Brown, that the Board award David Keenan a duty disability benefit.

ROLL CALL

For: Brown, Wright 2.

Absent: Maloney, Summers 2.

Against: Avila, Hamburger, Hauser, Lappe 4.

MOTION FAILS

It was then moved by Trustee Wright, seconded by Trustee Hamburger, that the Board award ordinary disability benefits.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

Trustee Wright amends his motion to reflect the period of benefits is July 13, 2014, through August 4, 2015, seconded by Trustee Lappe.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

Yancey, Sandra

Sandra Yancey appeared before the Board, without counsel, on her application for a duty disability benefit. After Officer Yancey acknowledged the Board's hearing process and agreed to proceed without legal representation, *it was moved by Trustee Hamburger, seconded by Trustee Avila that the Board go into executive session per 2 (c)(11).*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

It was moved by Trustee Brown, seconded by Trustee Lappe that the Board exit the executive session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

The application of Sandra Yancey proceeded. The Board reviewed the documents and records submitted and hearing testimony from the claimant and the Board's consulting physician, *it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board award Sandra Yancey an Ordinary disability benefit.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Wright 6.

Absent: Maloney, Summers 2.

Against: 0.

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42 DUTY DISABILITY CLAIMS, Continued

Rosenthal, Daniel

Daniel Rosenthal appeared before the Board, with counsel, on his application for a duty disability benefit. After reviewing documents presented and hearing testimony from Mr. Rosenthal and Sgt. Kemper of the CPD Medical Section, *it was moved by Trustee Hamburger, seconded by Trustee Wright that the Board terminate disability benefits effective October 31, 2015.*

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

It was then moved by Trustee Lappe, seconded by Trustee Hamburger that the benefit award, effective October 7, 2014, be a duty disability benefit.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

The Executive Director reviewed with the Board the following matters.

- The Board's physician has recommended testing to be completed on certain members in receipt of disability benefits.

*It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve the recommendation of the Board's physician to have a FCE and/or IME performed on **Kathleen McClory, George Moore, Maureen O'Neill, Carleen Riccio, Robbie Russell, George Duvin, and Annette Hanley**, all disability recipients.*

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

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It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board go into executive session per 2 (c) (7) for securities..

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board exit the executive session.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

*It was moved by Trustee Avila, seconded by Trustee Hamburger that the Board approve renewal of the Fund's **staff health insurance**.*

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board approve the Fund proceeding as the Lead Plaintiff in the Litigation matter discussed.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

EXECUTIVE DIRECTOR'S REPORT CONCLUDED

It was moved by Trustee Wright, seconded by Trustee Hamburger that the Board go into executive session.

ROLL CALL

For: Avila, Hamburger, Hauser, Lappe, Wright 5.

Absent: Brown, Maloney, Summers 3.

Against: 0.

(WHEREUPON, Trustee Avila exited the proceedings)

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board exit executive session.

ROLL CALL

For: Hamburger, Hauser, Lappe, Wright 4.

Absent: Avila, Brown, Maloney, Summers 4.

Against: 0.

DUE TO THE LACK OF A QUORUM, THIS MEETING STANDS ADJOURNED.

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At the October 26, 2015 Board of Trustee meeting, it was moved by Trustee Wright, seconded by Trustee Hamburger that the meeting of September 26, 2015 be adjourned.

ROLL CALL

For: Brown, Hamburger, Hauser, Lappe, Maloney, Wright 6.

Absent: Avila, Summers 2.

Against: 0.